

## **REQUEST FOR PROPOSALS**

Request for Proposals (RFP) from qualified Certified Public Accounting (CPA) firms interested in providing auditing services for following proposed project will be received until the date and at the location indicated below.

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**PROPOSAL NAME:** Town of Summerville Audit Services Proposal

**LOCATION:** Summerville Town Hall  
200 South Main Street  
Summerville, SC 29483

**DEADLINE TO SUBMIT:** Monday, October 26, 2015; 5:00 p.m.

### **DESCRIPTION**

The Town of Summerville is seeking proposals from qualified Certified Public Accounting (CPA) firms interested in auditing its financial statements for the fiscal years ending December 31, 2015; 2016 and 2017, with an option for auditing its financial statements for two (2) additional, subsequent years. All audits are to be performed in accordance with Generally Accepted Auditing Standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS) and any applicable federal and state laws.

### **SCOPE OF WORK**

The Town of Summerville desires the selected firm to express an opinion on the fair presentation of its financial statements in conformity with Generally Accepted Accounting Principles (GAAP), including any applicable federal and state laws. This opinion shall encompass all funds included in the Town's annual budget, as well as any other subsidiary accounts controlled by the Town. Scope of work will also include examination of financial records for the Summerville Redevelopment Corporation which serves as the redevelopment commission for the Town and operates in accordance with Section 501(c)(4) of the Internal Revenue Code. The Town's system of internal controls should also be examined. If weaknesses in internal controls are noted, appropriate recommendations should be made for remediation of control deficiencies. Management should be notified immediately of any irregularities discovered during the course of the firm's examination.

In addition to the normal performance of providing a complete financial and compliance audit, the firm will provide assistance with year-end closing entries and shall work with the Town to provide proper assistance, as needed, to correct any audit findings or to satisfy any auditor's recommendations. Additionally, the selected firm shall be available to provide ongoing technical assistance, as needed, to the Town's finance staff to ensure proper accounting methods are being followed.

During the period of contract performance, the Town of Summerville may be subject to requirements of the Office of Management and Budget (OMB) and be required to include in its financial statements a supplementary Schedule of Expenditures of Federal Awards (SEFA), as well as the related auditor's reports in the scope of the annual audit.

All audits shall be performed in accordance with GAAS, as set forth by the American Institute of Certified Public Accountants (AICPA); GAGAS, as set forth by the United States Government Accountability Office (GAO); the Standards for Financial Audits, as set forth in the U.S. Comptroller General's Government Auditing Standards and the provisions of other applicable federal and state laws.

The successful proposer may provide additional services to address areas of special emphasis defined and outlined by the Town. Optional professional services must be specified on an hourly rate by staffing and skill level.

**GENERAL INFORMATION REQUESTED FROM THE PROPOSER:**

1. Firm: Briefly describe the firm's history, background, size and locations.
2. Independence: Provide an affirmation statement that it is independent of the Town, as defined by GAAS and GAGAS.
3. Licensed to Practice in South Carolina: An affirmation statement shall be included indicating that all assigned CPA professionals are properly licensed to practice in South Carolina and the firm is legally registered in the State.
4. Quality of Work Record, Peer Review and Relevant Associations:
  - a) Describe the firm's reputation for audit work and whether or not the firm has a record of substandard work within the last ten (10) years.
  - b) Provide a copy of the firm's most recent peer review report and letter of comments.
  - c) Indicate whether the firm is registered with the PCAOB and a member of the AICPA's Center for Public Audit Firms. Provide a copy of the firm's most recent PCAOB inspection report.
  - d) Indicate your firm's or assigned professionals' membership in the following:
    1. AICPA
    2. SCACPA
    3. AICPA Government Audit Quality Center
    4. GFOA and the GFOA Special Review Committee
5. Partner, Supervisory and Staff Qualifications and Experience: The firm shall identify the principal supervisory and management staff, including engagement partners; managers; other supervisors and specialists who would be assigned to the engagement and indicate whether each such person is licensed to practice as a CPA in South Carolina. The firm shall also indicate how the quality of staff over the term of the agreement will be assured.
6. Firm Qualifications and Experience:
  - a) Describe the firm's and assigned professionals' experience in auditing local government agencies within the last five (5) years.
  - b) Describe the firm's and assigned professionals' experience in auditing other local governments with non-profit related activities within the last five (5) years.
7. Continuing Professional Education: Describe the assigned professionals' relevant CPE during the last twenty four (24) months and indicate whether the professionals meet the CPE requirements of Governmental Auditing Standards, the SC Board of Accountancy and AICPA Government Audit Quality Center.
8. References: The proposal shall include the most significant government engagements that are similar to the engagement described in this request (maximum of 3). Referenced engagements must have been performed during the last five (5) years by the office that will be assigned responsibility for the proposed audit. Please indicate the scope of work, date, engagement partners and the name and telephone number of the principal client contact.

9. Specific Audit Approach:
- a) The proposal shall set forth a summary work plan, including an explanation of the general methodology to be followed in order to perform the audit and the estimated hours by major account or audit segment.
  - b) Specifically described the firm's approach to government revenues and receivables and whether or not the firm will utilize confirmations to agencies/customers for accounts receivable.
  - c) Describe the firm's approach for compliance with SAS 99 regarding fraud considerations and how the firm would communicate any suspected fraud or confirmed fraud to management.
  - d) Provide an anticipated schedule of the weeks/dates that firm professionals would be on-site to perform audit related work.
10. Identification of Anticipated Potential Audit Problems: The proposal shall identify and describe any anticipated potential audit problems and the firm's approach to resolving these problems.
11. Insurance Coverage: Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or neglectful acts, or omissions of any officers, employees or agents thereof. Proof of the firm's carrier will be required.
12. Fees: Set forth the firm's fee proposal broken down, by year, for 2015, 2016 and 2017.
- a) State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum fee, including any out of pocket cost.
  - b) Describe how the proposed fee was derived.
  - c) Describe the availability of the firm for assistance with questions or problems during the term of the contract and availability for other negotiated services.
  - d) Furnish current standard billing rates for classes of professional personnel in the event services are needed that exceed the scope of the current proposal.
13. Additional Data: Any additional information considered essential to the proposal should be included in this section. Do not include firm client list.

## **RFP ADMINISTRATION**

The Town of Summerville reserves the right to terminate, modify, or suspend the process, reject any or all submittals, modify the terms and conditions of this selection process and/or waive any informalities.

## **ADDENDA**

If the Town deems appropriate to modify or supplement this RFP, addenda will be posted on the Town of Summerville website at [www.summervillesc.gov](http://www.summervillesc.gov). It is the sole responsibility of the proposer to read all addenda and any other items relevant to this RFP prior to submittal. No additional questions will be taken or addenda added to the website after 5:00 p.m. Wednesday, October 21, 2015.

## **BUSINESS LICENSE AND INSURANCE**

The successful firm must obtain or maintain a Town of Summerville business license and provide to the Town certificates of insurance certifying proof of insurance coverages as required by the Town of Summerville.

## **PROPOSAL INSTRUCTIONS**

Questions related to this RFP should be directed to Belinda Harper at [bharper@summervillesc.gov](mailto:bharper@summervillesc.gov) or 843-871-6000. Respondents shall submit three (3) copies of their proposals. Proposals should be submitted in a sealed envelope clearly marked "Audit Services Proposal" addressed to:

Lisa Wallace, Director of Administrative Services  
Town of Summerville  
200 South Main Street  
Summerville, SC 29483

Proposals received after the deadline **will not** be considered. Any costs associated with preparing the proposal submittal shall be the sole responsibility of the respondent.

## **CONCLUSION**

All submittals received by the deadline will be considered without regard to age, race, creed, color, gender, disability, familial status or national origin.

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